

**Fiscal Year
2018**

**Annual Report
of the
Michigan Aeronautics Commission**



Office of Aeronautics
Michigan Department of Transportation





RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
MICHIGAN AERONAUTICS COMMISSION
LANSING



December 19, 2018

Dear Reader:

Subject: Fiscal Year 2018 Michigan Aeronautics Commission Report

On behalf of the Michigan Aeronautics Commission, we are pleased to submit the attached annual report. The report provides a summary of the Commission's meeting proceedings for Fiscal Year 2018. It also includes an operations report for the Office of Aeronautics; specifically, actions taken on behalf of the Commission for further development, promotion, and safety of aviation, including aeronautical facilities and services.

During the fiscal year, the Michigan Aeronautics Commission met six times and approved several contracts, projects and reports. We hope you find the contents of the report both useful and interesting. If you have any questions, please contact us at 517-335-9568 or visit our website at www.michigan.gov/aero.

Sincerely,

Peter J. Kamarainen, Chairman
Michigan Aeronautics Commission

Michael G. Trout, Director
Michigan Aeronautics Commission

Peter Kamarainen, Chairman • Roger Salo, Vice Chairman
J. David VanderVeen • Rick Fiddler • Russ Kavalhuna
Mark Van Port Fleet • MG Gregory J. Vadnais • Keith Creagh • Col. Kriste K. Etue
Mike Trout, Director, Michigan Aeronautics Commission

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Michigan Aeronautics Commission

In accordance with the Aeronautics Code of the State of Michigan, the Michigan Aeronautics Commission (MAC or Commission) is responsible for the general supervision of aeronautics within the state. Appointments to the Commission are made by the governor and are subject to the advice and consent of the Senate. In addition to five appointed members, the Commission consists of four statutory members that include the directors of the departments of Transportation, Natural Resources, State Police, and Military and Veterans Affairs. Additionally, the Department of Transportation's executive administrator for the Office of Aeronautics is designated as director of the Commission. Below are the current commissioners and the commission director.



PETE KAMARAINEN
CHAIRMAN
(OCTOBER 2018 - SEPTEMBER 2019)
Owner of Grand Air Aviation, Inc.
Grand Ledge, MI



LAURA MESTER
COMMISSIONER
Representing Mark Van Port Fleet
Department of Transportation
Lansing, MI



ROGER SALO
VICE CHAIRMAN
Corporate Director of Aviation – Retired
Instructor, Western Michigan University
Founding Member, Michigan Business
Aviation Association
Plymouth, MI



CAPT. JOE GASPER
COMMISSIONER
Representing Col. Kriste K. Etue
Department of State Police
Lansing, MI



J. DAVID VANDERVEEN
COMMISSIONER (IMMEDIATE PAST CHAIR)
Director of Central Services
for Oakland County
Waterford, MI



MAJ. GEN. LEN ISABELLE
COMMISSIONER
Representing Maj. Gen. Gregory J. Vadnais
Department of Military and
Veterans Affairs
Lansing, MI



RICK FIDDLER
COMMISSIONER
Vice President
Amway Aviation
Grand Rapids, MI



KEVIN JACOBS
COMMISSIONER
Representing Keith Creagh
Department of Natural Resources
Roscommon, MI



RUSS KAVALHUNA
COMMISSIONER
President
Henry Ford College
Dearborn, MI



MIKE TROUT
DIRECTOR
Executive Administrator
Office of Aeronautics
Department of Transportation
Lansing, MI

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Bryan Budds, Commission Advisor ♦ Judy Baker, Commission Analyst

Airport Improvement Program

The Federal Aviation Administration (FAA) Airport Improvement Program (AIP) enables projects to be undertaken at Michigan airports to improve aviation safety, preserve or improve the existing infrastructure, enable purchase of airfield equipment, improve or construct new facilities at airports, and support local economic growth by increasing the capacity of airport facilities. In Fiscal Year (FY) 2018, \$90,918,781 in AIP contracts were approved by the MAC. Of that total, \$23,184,939 was transferred to general aviation airports, while \$67,733,842 was transferred to primary airports. Primary airports are the principal commercial passenger airports serving traditional airline customers. The total can be further broken down by source of funding into \$78,310,806 in federal funds, \$7,804,806 in locally derived funds, and \$4,803,169 in state aviation funds.

It is augmented by programs utilizing state and local funding only. Funding for AIP is appropriated in section 117, Capital Outlay, of the Michigan Department of Transportation's (MDOT) FY 2018 funding legislation, Public Act (PA) 107 of 2017. Transfers of the appropriated funds for projects specified in contracts must be approved by the Commission. Contract approvals occur throughout the fiscal year at each of the six Commission meetings. To the extent capital outlay funds appropriated in previous fiscal years are available, the Commission may approve contracts using those funds for AIP projects. Contracts to preserve and improve aviation facilities have significant local and regional impacts upon the economies they serve. Three active projects in FY 2018 provide examples of the important work undertaken through AIP.

Gerald R. Ford International Airport, Grand Rapids Terminal Area Apron Reconstruction Project

This major pavement reconstruction project, affecting the majority of the airport's terminal area apron, is being completed in seven phases over the course of two construction seasons (2018 and 2019). Major features include removing the existing failing concrete pavement and replacing it with 153,000 square yards of new concrete designed for future airport development and aircraft loadings; upgrading the airport's deicing fluid recovery system; upgrading the stormwater drainage system and underground utilities to accommodate future airport development; and reducing energy usage by installing a new LED apron lighting system. The cost of construction for this project is \$30.2 million, paid for through a combination of federal, state, and local funds. The partners involved include the FAA, MDOT, Kent County (sponsor), Prein&Newhof (consultant), and Kamminga & Roodvoets, Inc. (contractor).



Ford Airport, Iron Mountain/Kingsford Rehabilitate Runway 1/19

The 2018 construction project at Ford Airport in the Iron Mountain/Kingsford area involved the rehabilitation of Runway 1/19. The project included replacing existing pavement and porous friction course surface, runway lighting, guidance signs, wind cones, electrical cabling, and construction of a perimeter access road. To minimize disruption to commercial airline service, accelerated construction was performed and the project was substantially completed in 15 calendar days. The construction portion of this project totaled nearly \$5.4 million, consisting of federal, state, and local funds. The partners involved in this project included the FAA, MDOT, Dickinson County (sponsor), Prein&Newhof (consultant), and Bacco Construction Co. (contractor).



Sawyer International Airport, Marquette Rehabilitate Runway 1/19 and Relocate Runway 19 Threshold

The 2018 construction project at Sawyer International Airport involved rehabilitating Runway 1/19 and relocating the Runway 19 threshold 3,300 feet to the south. The runway was shortened from its previous length of 12,370 feet to its current length of 9,070 feet. The project also included runway grooving, new LED runway edge lights, replacement of precision approach path indicator lights and runway end identifier lights for Runway 19, installation of precision approach path indicator lights for Runway 1, and a new rotating beacon and wind cone. The construction portion of this project totaled \$5.5 million and included federal, state, and local funds. The partners involved in this project included the FAA, MDOT, Marquette County (sponsor), Mead & Hunt (consultant), and Payne and Dolan (contractor).



A complete list of contract descriptions can be viewed on the MAC web page at www.michigan.gov/aero, under “Meetings” and then “Contract Approvals.”

All-Weather Airport Access Program

MDOT Office of Aeronautics' All-Weather Airport Access Program, under the umbrella of the Michigan Aviation System Plan (MASP), calls for weather observation and data dissemination at each eligible airport in Michigan. This program includes three components: (1) an Automated Weather Observation System (AWOS); (2) a Data Collection System for collection of AWOS data and dissemination to the FAA network; and (3) access to current weather products available through the Internet. There are 41 installed AWOS maintained by the Office of Aeronautics in cooperation with the local community. Aeronautics has entered into a contract with Mackinac Software to collect the current data and disseminate that data to the FAA's national network.

Aeronautics has entered into a contract with The Weather Co. to provide weather briefing services at airports in Michigan. Currently, The Weather Co. provides access to current weather products through their website to 41 locations in Michigan. For each community's airport, Aeronautics enters into a contract with a local sponsor that spells out the responsibilities for the shared operation and maintenance of the weather system.



In FY 2018, the MAC approved 25 contracts for a five-year term relating to the operation and maintenance of an AWOS, a Data Collection System, and/or weather briefing services. Approvals were for the following airports:

| Automated Weather Observation Systems | |
|----------------------------------------------|--------------------------------------------------|
| Antrim County Airport, Bellaire | Owosso Community Airport, Owosso |
| Roben – Hood Airport, Big Rapids | Saginaw County H. W. Browne Airport, Saginaw |
| Charlevoix Municipal Airport, Charlevoix | Kirsch Municipal Airport, Sturgis |
| Fitch H. Beach Municipal Airport, Charlotte | West Branch Community Airport, West Branch |
| Branch County Memorial Airport, Coldwater | Weather Briefing Systems |
| Hillsdale Municipal Airport, Hillsdale | Ann Arbor Municipal Airport, Ann Arbor |
| DuPont – Lapeer Airport, Lapeer | Delta County Airport, Escanaba |
| Schoolcraft County Airport, Manistique | Gaylord Regional Airport, Gaylord |
| Mason Jewett Field, Mason | Houghton County Memorial Airport, Hancock |
| Jack Barstow Airport, Midland | West Michigan Regional Airport, Holland |
| Monroe Custer Airport, Monroe | Mackinac Island Airport, Mackinac Island |
| Mt. Pleasant Municipal Airport, Mt. Pleasant | Pellston Regional Airport of Emmet Co., Pellston |
| Luce County Airport, Newberry | Chippewa County Int'l. Airport, Sault Ste. Marie |

The All-Weather Airport Access Program is currently under review to ensure it reflects the policies contained with the current MASP.

A map of systems maintained by the Office of Aeronautics can be viewed [online](#) or go to www.michigan.gov/aero, select “Pilot Resources” and then “Office of Aeronautics AWOS Map” under “Automated Weather Observation Systems.”

Airport Loan Program

The Airport Loan Program allows a publicly owned airport to borrow up to \$100,000 for airport-related projects. Established annually by the Michigan Department of Treasury, the interest rate on new loans in 2018 is 3.2 percent per annum. Repayment is scheduled in yearly installments over a maximum 10-year period.

Loans are often used by sponsors for their local match obligation in capital improvement projects. However, a loan may not exceed 90 percent of the sponsor's match of the overall project cost.

In accordance with section 4 of PA 107 of 1969, the Airport Development Act, the following provides a report for FY 2018.

Status of Projects – Information on all currently outstanding loan contracts funded under the program is provided on the chart below. All loans remain in good standing.

Loans Outstanding – At the beginning of FY 2018, outstanding loans amounted to \$195,095. Loan repayments of \$107,620 were received. At the end of the fiscal year, the outstanding loan balance was \$87,475.

Amount Available for New Loans – At the end of the fiscal year, the Airport Loan Program had a balance of \$2,112,525.

| Status of Active Airport Loan Agreements as of September 30, 2018 | | | | | |
|-------------------------------------------------------------------|-------------|-------------|------------------|------------------|--------------------|
| Airport | Fiscal Year | Loan Amount | Amount Disbursed | Principal Repaid | Amount Outstanding |
| Hillsdale | 2016 | \$100,000 | \$100,000 | \$100,000 | \$ -- |
| Beaver Island | 2013 | \$100,000 | \$100,000 | \$ 35,711 | \$ 64,289 |
| Menominee | 2012 | \$ 55,000 | \$ 55,000 | \$ 31,814 | \$ 23,186 |
| | | \$255,000 | \$255,000 | \$167,525 | |
| Total Loans Outstanding | | | | | \$ 87,475 |

Air Service Program

The Michigan Air Service Program was developed in 1987 to address the loss and decline of commercial air service in many Michigan communities. The first state/local grant was issued in 1988. The program helped stabilize and expand commercial air service by undertaking activities aimed at promoting increased use of services available at local airports. The program consists of four categories: Aircraft Rescue and Firefighting Training, Airport Awareness, Capital Improvement and Equipment, and Air Carrier Recruitment and Retention.

In FY 2018, the MAC approved grants to airport sponsors under the Air Service Program totaling \$249,925 in state funds. The awarded grants were used to fund projects that included airport awareness activities, capital improvement and equipment, and/or aircraft rescue and firefighting training for the following airports. All grants require a local funding share.

| | |
|----------------------------------------------------|--------------------------------------------------|
| Alpena County Regional Airport, Alpena | Capital Regional International Airport, Lansing |
| Willow Run Airport, Detroit | Manistee County – Blacker Airport, Manistee |
| Delta County Airport, Escanaba | Sawyer International Airport, Marquette |
| Bishop International Airport, Flint | Muskegon County Airport, Muskegon |
| Gerald R. Ford International Airport, Grand Rapids | Pellston Regional Airport, Pellston |
| Houghton County Memorial Airport, Hancock | Oakland County International Airport, Pontiac |
| Ford Airport, Iron Mountain/Kingsford | MBS International Airport, Saginaw |
| Gogebic-Iron County Airport, Ironwood | Chippewa County Int'l. Airport, Sault Ste. Marie |
| Kalamazoo/Battle Creek Int'l. Airport, Kalamazoo | Cherry Capital Airport, Traverse City |

Passenger aircraft used at some commercial airports.



Financial Results

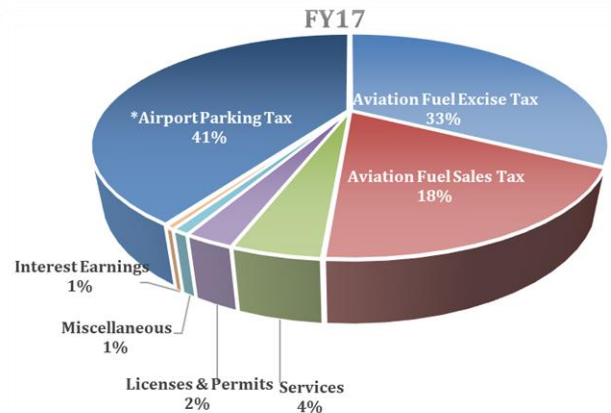
State Aeronautics Fund

PA 107 of 2017 appropriates funds to MDOT for undertaking aviation programs and services during FY 2018, and appropriations are supported by revenues received during the fiscal year. The total amount of capital outlay awards is identified in the AIP portion of this report. Please note that airport parking tax revenue is dedicated to payment of debt service costs, with any remaining funds being used solely for AIP.

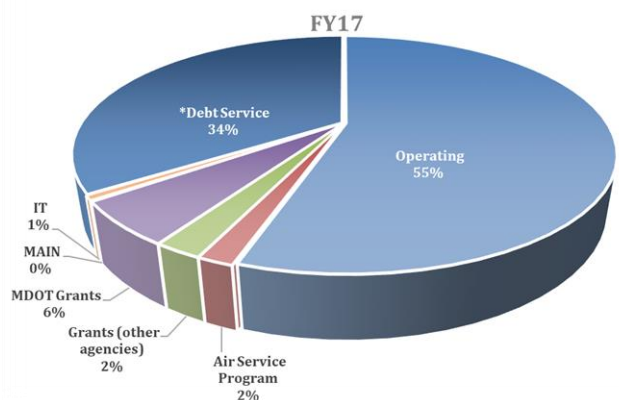
The information depicts revenues and expenditures for FY 2017 and FY 2018. The tables detail actual amounts, while the charts enable comparison within and between the two fiscal years shown on this and the following page.

Fiscal Year 2017

| Revenue | | |
|--------------------------|-----------|-------------------|
| Aviation Fuel Excise Tax | \$ | 4,849,040 |
| Aviation Fuel Sales Tax | | 2,690,746 |
| Services | | 626,213 |
| Licenses & Permits | | 354,309 |
| Miscellaneous | | 127,319 |
| Interest Earnings | | 70,481 |
| *Airport Parking Tax | | 6,000,000 |
| Total | \$ | 14,718,108 |



| Expenditures | | |
|-------------------------|-----------|-------------------|
| Operating | \$ | 7,403,736 |
| Air Service Program | | 234,258 |
| Grants (other agencies) | | 311,922 |
| MDOT Grants | | 766,315 |
| MAIN | | 24,800 |
| IT | | 79,885 |
| *Debt Service | | 4,616,306 |
| Total | \$ | 13,437,222 |

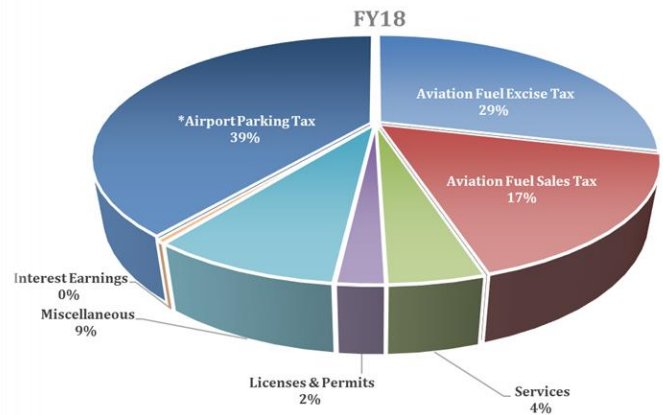


*In accordance with PA 680 of 2002 and PA 135 of 2006, \$6 million was received from the Detroit Wayne County Airport Parking Tax. Of this, \$4,616,306 was used for debt service and the remaining \$1,383,694 was used for capital projects in the AIP.

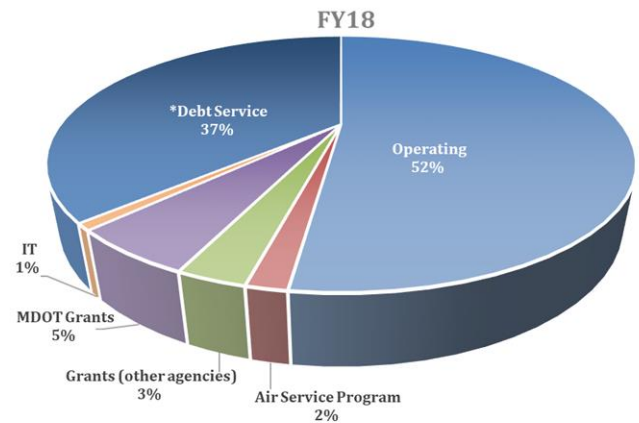
Financial Results – continued

Fiscal Year 2018

| Revenue | | |
|--------------------------|-----------|-------------------|
| Aviation Fuel Excise Tax | \$ | 4,389,279 |
| Aviation Fuel Sales Tax | \$ | 2,505,176 |
| Services | | 647,474 |
| Licenses & Permits | | 322,906 |
| Miscellaneous | | 1,285,882 |
| Interest Earnings | | (62,779) |
| *Airport Parking Tax | | 6,000,000 |
| Total | \$ | 15,087,938 |



| Expenditures | | |
|-------------------------|-----------|-------------------|
| Operating | \$ | 6,532,708 |
| Air Service Program | | 218,252 |
| Grants (other agencies) | | 371,569 |
| MDOT Grants | | 696,924 |
| IT | | 104,641 |
| *Debt Service | | 4,616,958 |
| Total | \$ | 12,541,052 |



*In accordance with PA 680 of 2002 and PA 135 of 2006, \$6 million was received from the Detroit Wayne County Airport Parking Tax. Of this, \$4,616,958 was used for debt service and the remaining \$1,383,042 was used for capital projects in the AIP.

Legislation

State Laws Enacted

- PA 207 of 2018 – Sets forth appropriations for FY 2019 for MDOT (and other departments). The law was signed by the governor on June 21, 2018.

Notable Boilerplate Provisions: Removed Section 803 that required MDOT to request proposals for third party management of the state air fleet. Added Section 804 that requires MDOT to provide notification when it owns four aircraft or less to attain funds for air fleet operations and maintenance.

Other Legislative Outcomes: Added flight operations as a new line item to track expenditures. Reduced current Aeronautics full time equivalent (FTE) positions from 48 to 46.

- PA 297 of 2018 – Repeals Section 32 of the Aeronautics Code requiring the MAC to provide to the governor a report covering the operation of the Office of Aeronautics. The law was signed by the governor on July 25, 2018, with immediate effect.

State Bills Introduced

- SB 161 – Would designate the B-24 Liberator (many were produced at the Willow Run Plant) as the official state airplane. (Feb. 15, 2017, introduced and referred to the Senate Transportation Committee; May 9, 2017, committee recommended and referred to the full Senate.)
- HB 4248/4249 – Would prohibit and provide penalties for operating unmanned aerial vehicles (UAVs), or drones, within 1,000 feet of certain government facilities. Would amend the Unmanned Aircraft Systems (UAS) Act. (Feb. 16, 2017, introduced and referred to the House Committee on Communications and Technology.)
- HB 4350/4351 – Would amend PA 94 of 1937, the Use Tax Act, and PA 167 of 1933, the General Sales Tax Act. Both bills would exempt the purchase of certain aviation equipment. (March 14, 2017, introduced; May 25, 2017, passed by the House; Sept. 26, 2018, passed by the Senate; Oct. 16, 2018, vetoed by the governor.)
- SB 584 – Would add property owned by a public airport authority to “pistol-free zones” and eliminate the ability to carry any pistol into most public use airports in Michigan. (Sept. 20, 2017, introduced; Nov. 8, 2017, passed by the Senate; Nov. 9, 2017, referred to House Committee on Judiciary.)
- SB 626/627 – Would codify the MAC’s authority to regulate seaplane operations. Currently, the MAC has rules for seaplane operations, but courts have invalidated these regulations citing lack of authority in the Aeronautics Code. The bill also would preempt local ordinance from

regulating seaplanes. (Oct. 11, 2017, introduced and referred to the Senate Committee on Transportation; May 29, 2018, referred to the Committee of the Whole with substitute S-1.)

- HB 5118 – Would amend the UAS Act by requiring the MAC, the Michigan State Police (MSP), and the UAS Task Force to enter in a memorandum of understanding with the FAA. Would attempt to allow the enforcement of federal law and rules regarding UAS, or drones, by MSP, local police, airports, and railroads. (Oct. 17, 2017, introduced and referred to the House Committee on Communications and Technology.)
- SB 715 – Would allow Mackinac Island to enact ordinances regulating UAVs, or drones. Would amend the UAS Act. (Dec. 12, 2017, introduced; May 10, 2018, passed by the Senate and referred to the House Committee on Communications and Technology.)
- HB 5494-98 – A package of five bills that would regulate UAVs, or drones, based on recommendations from the UAS Task Force. Would amend the UAS Act. (Jan. 30, 2018, introduced; March 22, 2018, passed by the House; referred to the Senate Committee on Transportation.)
- HB 5588 – Would prohibit use of UAVs, or drones, to deliver wireless communication devices into or onto a correction facility. (Feb. 15, 2018, introduced and referred to the House Committee on Communications and Technology.)
- SB 917-922 – A package of six bills that would regulate UAVs, or drones, based on recommendations from the UAS Task Force. Would amend the UAS Act. (March 21, 2018, introduced; Sept. 26, 2018, passed by the Senate; referred to the House Committee on Communications and Technology.)

Federal Law Enacted

- PL 115-141: Consolidated Appropriations Act of 2018 – On March 23, 2018, the president signed legislation that consisted of \$1.3 trillion to fund most federal government programs and agencies through the end of FY 2018. The legislation provided a significant increase in funding for many highway, transit, rail, and aviation programs, including a \$1 billion increase in Airport Improvement Program funding and a \$5 million increase in Essential Air Service funding. The legislation also included a six-month extension of FAA programs and funding, which was authorized under a short-term extension that was due to expire on March 31, 2018.
- PL 115-254: FAA Reauthorization Act of 2018 – On Oct. 5, 2018, the president signed legislation that authorized \$97 billion in funding for federal aviation programs over five years (FY 2019-2023). The legislation establishes new conditions for recreational use of drones and repeals hobbyist rules. It also requires FAA to establish regulations on passenger seat dimensions, service animals, and mobile communications by passengers during scheduled air services, among other regulations. This act does not appropriate funds; that is yet to occur.

Bylaws and Policy

UAS Advisory Committee

The MAC chair announced the establishment of a UAS Advisory Committee, appointing Commissioner Rick Fiddler as chairman. The purpose of the new advisory committee is to promote and support the ongoing development and expansion of UAS in Michigan while enhancing awareness to ensure public safety. The advisory committee will work closely with the Michigan UAS Program Office upon its establishment. Committee members were selected by the committee chairman upon recommendation of MDOT Office of Aeronautics staff.

Pilot Shortage Task Group

The MAC chair announced the establishment of a task group to study the pilot shortage issue and its impacts on the Michigan aviation industry. The task group will provide recommendations for policymakers and industry members to increase awareness and bolster state support for activities to address the shortage of aviation professionals. The task group is led by Commissioner Dave VanderVeen.

Article IV

The Commission approved a change to Article IV, Section 4.1, permitting two consecutive elective terms for the same office of chairperson and vice chairperson. The Commission voted on the amendment during their meeting held on Jan. 25, 2018.

Tall Structure Program

The Commission adopted a modification to the Tall Structure Program administered by MDOT Aeronautics to ensure fees are appropriate based on the number of permits being processed. The Michigan Tall Structure Act regulates construction of structures that may be hazardous to flight. The Commission voted on the amendment during their meeting held on May 23, 2018. More information can be viewed on the MAC website at www.michigan.gov/aero, under "Airspace & Zoning."

Michigan Per- and Polyfluoroalkyl Substances (PFAS) Action Response Team (MPART) – Airport Sub-Group

At the request of the governor and MPART Director Carol Isaacs, the Commission and MDOT Office of Aeronautics staff established and led the Airport Sub-Group of the Michigan PFAS Action Response Team. The Airport Sub-Group's initial actions included identifying and describing concerns related to the storage, use, and disposal of aqueous film-forming foam (AFFF), which may contain the contaminant PFAS with airports in

Michigan. Later, the group initiated and completed efforts to identify areas of previous AFFF discharges, as well as current inventories at Michigan airports. During these efforts, the Airport Sub-Group initiated discussions with FAA officials, on behalf of Michigan airports, to adjust AFFF testing requirements to ensure not only proper fire protection, but also to protect public health in Michigan.

Hospital Heliport and Helistop Guidelines

The Safety Advisory Committee began discussions on implementing guidance documents for hospital heliport and helistop licensing criteria, particularly language having to do with “suitable” approaches. The committee invited additional industry representatives to provide guidance in setting an appropriate approach standard. Updated heliport and helistop standards are expected to be discussed further during the FY 2019 modernization of the Michigan Aeronautics Code.

Statistics

FY 2018 Measurements

- Total Contracts Awarded (Airport Sponsor for AIP, Air Service Program, Weather Services, and with FAA) – **172**
- Airport Development Projects – **34 projects let**
- Statewide Paint Marking Program – **24 airports**
- Statewide Crack Sealing Program – **25 airports**
- Pavement Condition Index (PCI), Inspections and Reports – **40 airports**
- Tall Structure Reviews – **4,939 applications reviewed, including 621 for wind turbines**
- Individual Non-Primary Airport Grant Closeouts – **56 completed**
- Primary Airport Grant Closeouts – **28 completed**
- State Block Grant Closeouts – **1 completed**
- State/Local Grant Closeouts – **21 completed**
- Licensed Public-Use Airports – **226**
- Licensed Public-Use Heliports – **7**
- Licensed Hospital Heliports/Helistops – **92**
- Public-Use Airport Inspections – **48**
- Public-Use Heliport Inspections – **1**
- Hospital Heliport/Helistop Inspections – **2**
- Registered Aircraft – **5,345**
- Dealer Licenses Issued – **108**
- Licensed Flight Schools – **68**
- Flight School Inspections – **12**
- Safety Seminars for Pilots – **4 seminars, approximately 185 total attendees**
- State Aircraft Utilization – **840.6 hours**

Strategic Plan

Strategic Planning Initiatives

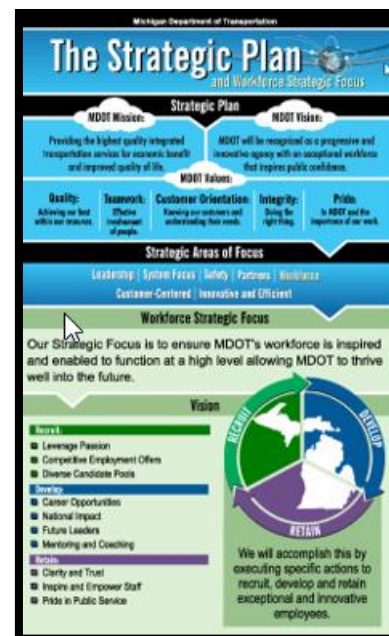
2018 Actions and Results

Office of Aeronautics

Grant Closeout Process Improvement

Address all open grants eligible for closure to maintain a positive cash balance in the State Aeronautics Fund. A closeout process improvement activity was conducted by the MDOT Performance Excellence Section in Feb. 2018 and was a success. This process improvement examined the closeout process in detail to look for steps that were redundant or did not add value and increased the time needed for a closeout.

An improved process was developed using input from the Office of Aeronautics Project Management Unit and Programming Section, the Project Accounting Section of Finance, FAA's Detroit Airport Development Office, and a representative of the Michigan Association of Airport Executives (MAAE). Additionally, checklists were developed to aid in proceeding with the new closeout process. The new process has been put into effect and is showing improvements in quicker closeouts.



Michigan Aeronautics Code Modernization

Improve quality of service by eliminating outdated, redundant, and inefficient policies in the Michigan Aeronautics Code. The comprehensive revisions of the code sought to increase MDOT Office of Aeronautics' flexibility and efficiency in regulating aviation in Michigan. Success was measured by achieving internal review of the code, seeking legislative change, and implementing modifications to the Michigan Aeronautics Code.

MDOT Office of Governmental Affairs staff have begun preparing a FY 2019 legislative outreach strategy for the coming legislative session.

Flight Operations Manual Safety Review and Emergency Exercise

Perform a comprehensive review of the current flight operations manual used by the Air Transport Unit to ensure the highest level of safety continues within the unit. A flight operations manual is a living document used to set specific guidelines for aircraft operation. With internal changes and a continually evolving aircraft operating environment, a formalized review of the flight operations manual increases the safety and standardization of MDOT Office of Aeronautics' air transport flights. Additionally, this review process included an aircraft emergency tabletop exercise to ensure coordination with all appropriate entities in the event of emergency situations.

Education

On Nov. 8, 2017, the MAC approved a contract providing \$30,000 to MAAE to conduct workshops, training programs, seminars, and conferences that support the education and training of airport managers and staff throughout Michigan. The grant helps support student scholarships for those pursuing an aviation-related education by enhancing the existing scholarship program available through MAAE and promotes internships at airports. Two \$1,000 scholarships were awarded to students from Eastern Michigan University, four airports were awarded \$1,000 each, and one airport received \$2,000 in internship assistance. The contract is funded via appropriations provided in Section 112, Aeronautics Services of PA 107 of 2017. MAAE provided \$6,000 (local match), bringing the total funds available for training efforts to \$36,000.

Pilot Safety Seminars: Four seminars were held throughout FY 2018, with more than 180 people in attendance. Seminar locations included Jackson, Lansing, Mason, and Ypsilanti.

Aviation Fuel Safety Seminar: Held Oct. 2-5, 2017, in Lansing, the seminar was co-sponsored by Avflight Lansing, AvFuel Corp., and the MDOT Office of Aeronautics. In attendance were 70 airport fixed-base operators (FBOs) and line service personnel for training related to the handling of fuel products, included fueling of aircraft.

Michigan Airports Conference: The 27th year of this conference, co-hosted by the MDOT Office of Aeronautics and MAAE, was held on Feb. 21-22, 2018, in East Lansing. The agenda included a welcome from State Transportation Director Kirk Steudle (pictured), updates from the MDOT Office of Aeronautics and the FAA, airport roundtable discussions, and a session entitled “Getting to Know Your Associations” presented by Tony Vernaci, president and founder of the Aerospace Industry Association of Michigan, and Rich Belisle, chairman of the Michigan Business Aviation Association. Sessions included “Michigan’s Future in UAS,” presented by Steve Willer, AirMap, Inc., and Jim Makowske, Michigan UAS Consortium, as well as “Certification Inspections” with FAA’s Patricio Virgili and MDOT’s Randy Collier. Lunch speakers included Bishop International Airport Director Craig Williams and staff, who spoke about the terrorism attack that took place at their airport in 2017. The conference included a legislative reception with exhibitors (pictured).

SimCom Aviation Training: Held in Feb. and March 2018, MDOT Office of Aeronautics pilots attended professional pilot recurrent training in Orlando, Florida.



Capital Area Aviation Academy: Approximately 25 high school juniors and seniors from Livingston and Ingham counties toured the MDOT Office of Aeronautics on March 14, 2018. These students were enrolled in a private pilot ground school class as part of their curriculum.



Aeronautics Webinar: Hosted by MDOT and Nepris, an organization devoted to connecting industry professionals to the classroom, this webinar is part of an outreach to those interested in the aeronautics field. Topics of discussion included flying and general aircraft maintenance. The webinar is held throughout the year at the MDOT Office of Aeronautics.

Aeronautics Hangar Visit: A group of students and parents from Lansing's Post Oak Elementary School toured the MDOT Office of Aeronautics on June 1, 2018. The tour began in the auditorium with a brief tutorial on the role of MDOT Aeronautics and proceeded to the radio shop where the importance of automated weather stations was explained. Students were then escorted to a hangar where aircraft maintenance was being performed. The tour continued in hangar number two where a lesson on flight controls was presented. The event concluded with a UAV demonstration in the auditorium.



Michigan Aviation Professionals Training Course: Held June 19-20, 2018, in West Branch, this was a class for small general aviation airports designed to provide new managers, elected officials and consultants a jumpstart on understanding the complexities of managing an airport. The course was co-sponsored by the MDOT Office of Aeronautics, Mead & Hunt, and MAAE.

Michigan Association of Airport Executives: The fall conference was held Sept. 10-14, 2018, in Harbor Springs. The agenda included updates from the Transportation Security Administration, the MDOT Office of Aeronautics and the FAA, airport roundtables sessions, PFAS (firefighting foam), FAA Modification and Standards, "The Art of Strategic Business Planning and Airport Marketing" by R. A. Wiedemann & Associates, Inc., lunch speakers John Collins (former director of Forensic Science for the Michigan State Police) and Frank Tanana (former Major League Baseball pitcher for the Detroit Tigers), and much more.

UAS Initiatives: The MDOT Office of Aeronautics, with support of other areas within MDOT, is pursuing an FAA certificate of authorization (COA) for governmental flights of UAS, or drones. Under existing federal rules, some UAS flights are already being conducted in support of MDOT functions and to realize significant cost savings compared to other data collection methods. The completion of the certificate will allow MDOT additional flexibility in terms of locations and restrictions for expanded UAS operations. The completed COA is expected in Feb. 2019. Additionally, the Office of Aeronautics has developed operational guidelines and standard operating procedures for MDOT to ensure the safe and responsible use of UAS across the organization.

Notable Events/Recognitions

Events

Michigan UAS Task Force: The 27-member task force met several times during the early part of FY 2018. The final report was submitted to the governor and Legislature in Nov. 2018. The report included several recommendations, which are being planned for implementation. The full report can be viewed on the “Pilot Resources & UAS” website at www.michigan.gov/aero.

UAS Integration Pilot Program: The FAA announced a pilot program on UAS integration, offering to approve a minimum of five states to study and test the development of UAS in various settings. The FAA and the selected states will further explore, through partnerships, the roles state government may have to accelerate integration of UAS into the National Airspace System. MDOT submitted its application to participate in the pilot program but was not selected. However, the 30-member team of public and private entities that was established to support the proposal submission continues to explore options for Michigan to play a leading role in the deployment of UAS technology.

Aviation Fuel Tax Action Plan: The MDOT Office of Aeronautics was notified that Michigan is officially in full compliance in terms of the FAA’s Revenue Use Policy. For a long time, the FAA was showing a pending status for all states. MDOT submitted its action plan in December 2015.

Michigan State Transportation Commission/MAC Joint Public Meeting: Held on Jan. 25, 2018, at the MDOT Office of Aeronautics in Lansing. MDOT Chief Administrative Officer Laura Mester and Aeronautics Executive Administrator Mike Trout presented.

The 2018 International Aviation Art Contest was sponsored by the National Association of State Aviation Officials and was open to children between the ages of 6 to 17. Entries were judged in January by MDOT Office of Aeronautics staff in three classes according to age and creative use of the theme “Flight into the Future.” A total of 53 entries were received. The top three entries in each age group were forwarded to Washington, D.C., to be judged in the national competition.

Off-Site MAC Meetings: Held on May 23, 2018, at the Yankee Air Museum located at Willow Run Airport in Ypsilanti and on July 25, 2018, at the West Michigan Regional Airport in Holland. Special recognitions were presented by the Commission in honor of the museum and airport for preserving Michigan’s aviation legacy.

Appointment to Airport Zoning Boards: On July 25, 2018, the Commission appointed Jennifer Forbes to all joint airport zoning boards adopted under Section 17 of the Airport Zoning Act, except for the Joint Wayne and Washtenaw Counties Airport Zoning Board, as Linn Smith will retain membership on that board.

Recognitions

Jackson County was presented with an Airport Sponsor of the Year (General Aviation Airport Category) award during the Michigan Airports Conference in Feb. 2018 in recognition of sustained excellence in contribution to aviation progress in the state of

Michigan. Jackson County was commended for the development of new Runway 7/25 at Jackson County – Reynolds Field, which was completed in 2017. The multi-year project progressed through a complex phasing of events, including an environmental assessment, land acquisition, wetland mitigation, approach clearing, installation of FAA equipment, and the generation of new instrument approach procedures.

Northwestern Regional Airport Commission was presented with an Airport Sponsor of the Year (Air Carrier Airport Category) award during the Michigan Airports Conference in Feb. 2018 in recognition of sustained excellence in contribution to aviation progress in the state of Michigan. The Northwestern Regional Airport Commission was commended for outstanding local efforts associated with the rehabilitation and extension of Runway 10/28 at Cherry Capital Airport, which was completed in 2017. The additional runway length allows air carrier aircraft to operate at optimum capacities, resulting in increased efficiencies for airlines and enhanced services for passengers.

Mead & Hunt was presented with the “Robert G. Peckham” Consultant of the Year Award during the Michigan Airports Conference in Feb. 2018 in recognition of excellence in aviation consultant services and dedication to airport development throughout the state of Michigan. Mead & Hunt has served clients for more than a century and has been a lead partner in numerous outstanding general aviation and primary airport projects. They continue to strive for the satisfaction of the people they serve with the highest level of integrity.

Shawn Jezak/MAAE was presented with the group Award of Excellence by the MAC on Sept. 12, 2018, in recognition of her outstanding contributions throughout the past 11 years as executive director of MAAE. Her dedicated efforts in the preparation and development of premier airport conferences and seminars held across the state has had a measurable and lasting effect on the airport industry throughout Michigan. (Pictured from left to right: MAC Chair Dave VanderVeen, MAAE Executive Director Shawn Jezak, MAC Director Mike Trout, and MAAE President Dave Reid.)



State Transportation Director Kirk T. Steudle was presented with the individual Award of Excellence by the MAC on Nov. 7, 2018, in recognition of his outstanding contributions to the aviation industry throughout his leadership of MDOT. His dedication to our customers, workforce and stakeholders has resulted in significant positive outcomes for Michigan residents. His commitment to innovation and technology in providing mobility solutions ensures Michigan’s aviation system will flourish into the future. (Pictured from left to right: Immediate past MAC Chair Dave VanderVeen, MAC Chair Pete Kamarainen, Director Kirk Steudle, and MAC Director Mike Trout.)



Other Notables

Commissioner Rick Fiddler was nominated as a “Living Legend of Aviation.” There are currently 100 “Living Legends of Aviation.” He was honored during the Legend Awards Dinner in Beverly Hills, California, on Jan. 19, 2018.

Commissioners Pete Kamarainen and Roger Salo were elected as chairman and vice chairman for the 2018-2019 term at the Sept. MAC meeting, replacing Dave VanderVeen and Pete Kamarainen as chairman and vice chairman, respectively.

Former Chairman Dave VanderVeen was presented with a plaque from Commissioner Pete Kamarainen and MAC Director Mike Trout, commending him for an outstanding 2017-2018 year. (Pictured from left to right: Pete Kamarainen, Dave VanderVeen, and Mike Trout.)

